

## PPL ELECTRIC UTILITIES CORPORATION

**Calculation of Composite Cost Rate of Long-Term Debt  
at December 31, 2010  
(Thousands of Dollars)**

Line No.	(1) First Mortgage Bonds	(2) Amount Outstanding	(3) Percent to Total	(4) Effective Interest Rate (a)	(5) Average Weighted Cost Rate
1	7-3/8 % Series due 2014	\$ 10,290	100.00 %	7.55 %	7.55 %
2	Total	\$ 10,290	100.00 %		7.55 %
	<u>Pollution Control Bonds</u>				
3	4.75% Series B due 2027	108,250	34.50	4.90	1.69
4	4.70% Series A due 2029	115,500	36.81	4.86	1.79
5	Variable Rate Series 2008	90,000	28.69	4.99	1.43
6	Total	\$ 313,750	100.00 %		4.91 %
	<u>Senior Secured Bonds</u>				
7	7.125% Series due 2013	375,000	32.61	7.31	2.38
8	7.125% Series due 2013	25,000	2.17	7.24	0.16
9	4.95% Series due 2015	100,000	8.70	5.03	0.44
10	5.15% Series due 2020	100,000	8.70	5.21	0.45
11	6.45% Series due 2037	250,000	21.74	6.53	1.42
12	6.25% Series due 2039	300,000	26.08	6.37	1.66
13		\$ 1,150,000	100.00 %		6.51 %
14	Total First Mortgage Bonds	\$ 10,290	0.70 %	7.55 %	0.05 %
15	Total Pollution Control Bonds	313,750	21.28	4.91	1.04
16	Total Senior Secured Bonds	1,150,000	78.02	6.51	5.08
17		\$ 1,474,040	100.00 %		6.17 %
18	Long-Term Debt	\$ 1,474,040			6.17 %
19	Loss on Reacquired Debt	(27,469)			\$ 90,948 (b)
20	Gain on Reacquired Debt	0			5,545 (c)
21	Adjusted Long-Term Debt	\$ 1,446,571		6.67 % (e)	0 (d)
					\$ 96,493

(a) Effective interest rate from Schedule B-6, page 2.

(b) 6.17% \* \$1,474,040

(c) Annualized amortization of loss on reacquired debt

(d) Annualized amortization of gain on reacquired debt

(e) \$96,493 / \$1,446,571

**PPL ELECTRIC UTILITIES CORPORATION**

**Schedule of Long-Term Debt and Calculation  
of Average Weighted Cost Rate at December 31, 2010**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Line No.	Description of Issue	Nominal Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding	Amount Retired	Coupon Rate - %	Premium, Option or (Discount) at Issuance	Issuance Expense	Net Proceeds	Annual Sinking Fund Requirement(a)	Average Term in Years	Net Proceeds Ratio (b)	Effective Interest Rate - %
<u>First Mortgage Bonds</u>														
1	7-3/8 % Series due 2014	3/1/1994	3/1/2014	\$100,000,000	\$10,290,000	\$89,710,000	7.375	(\$1,655,000)	\$144,440	\$98,200,560		20	98.20	7.55
<u>Pollution Control Bonds</u>														
2	4.75 % Series B due 2027	5/17/2005	2/15/2027	108,250,000	108,250,000	0	4.75		2,183,567	\$106,066,433		22	97.98	4.90
3	4.70 % Series A due 2029	2/23/2005	9/1/2029	115,500,000	115,500,000	0	4.70		2,605,170	112,894,830		24	97.74	4.86
4	Variable Rate Series 2008	11/18/2008	10/1/2023	90,000,000	90,000,000	0	4.85		1,341,189	88,658,811		30	98.51	4.99
<u>Senior Secured Bonds</u>														
5	7.125% Series due 2013	10/17/2008	11/30/2013	375,000,000	375,000,000	0	7.125	(337,500)	2,678,464	371,984,036		5	99.20	7.31
6	7.125% Series due 2013	10/17/2008	11/30/2013	25,000,000	25,000,000	0	7.125	22,000	150,000	24,872,000		5	99.49	7.24
7	4.95% Series due 2015	12/20/2005	12/15/2015	100,000,000	100,000,000	0	4.95		621,302	99,378,698		10	99.38	5.03
8	5.15% Series due 2020	12/20/2005	12/15/2020	100,000,000	100,000,000	0	5.15		621,301	99,378,699		15	99.38	5.21
9	6.45% Series due 2037	8/13/2007	8/15/2037	250,000,000	250,000,000	0	6.45	(67,500)	2,522,764	247,409,736		30	98.96	6.53
10	6.25% Series due 2039	5/22/2009	5/15/2039	300,000,000	300,000,000	0	6.25	(1,806,000)	3,105,155	295,088,845		30	98.36	6.37
11	TOTAL				<u>\$ 1,474,040,000</u>									

(a) The sinking fund requirements may be met with property additions or bonds.

(b) Approximates net proceeds ratio at time of issuance.

NOTE: No bonds under any series outstanding have been reacquired or retired by the Company.